



**CALIFORNIA STATE  
PUBLIC WORKS BOARD**

EDMUND G. BROWN JR. • GOVERNOR

915 L STREET ■ NINTH FLOOR ■ SACRAMENTO CA ■ 95814-3706 ■ (916) 445-9694

## **AGENDA WITH ANALYSIS**

**NOTICE OF MEETING  
STATE PUBLIC WORKS BOARD  
Friday, March 9, 2012**

The **STATE PUBLIC WORKS BOARD** will meet on  
**Friday, March 9, 2012 at 10:00 a.m. in Room 113,  
State Capitol, Sacramento, California.**

In accordance with provisions of section 11125 of the  
Government Code, a copy of the Agenda is attached.

Greg Rogers  
Administrative Secretary

Attachment

**STATE PUBLIC WORKS BOARD**

**Friday**  
**March 9, 2012**  
**10:00 a.m.**  
**Room 113**

State Capitol  
Sacramento, California

- I.** Roll Call
- II.** Approval of minutes from the February 1, 2012 and February 10, 2012 meetings
- III.** Bond Items Page 3
- IV.** Consent Items Page 7
- V.** Action Items Page 31
- VI.** Other Business Page 35
- VII.** Reportables Page 35

# BOND ITEMS

## BOND ITEM—1

### 2012 SERIES A VARIOUS CAPITAL PROJECTS

#### Judicial Council (0250)

*Project:* **Madera Courthouse**  
*Location:* Madera County  
*Authority:* Chapter 712, Statutes of 2010, Item 0250-301-0660 (2), as reappropriated by the Budget Act of 2011

#### Department of Corrections and Rehabilitation (5225)

*Project:* **Enhanced Outpatient Program Treatment and Office Space**  
*Location:* Salinas Valley State Prison, Soledad  
*Authority:* Sections 15819.40 (c) and (d), 15819.401 – 15819.404 of the Government Code

*Project:* **California Health Care Facility**  
*Location:* San Joaquin County  
*Authority:* Sections 15819.40 (a) and (d), 15819.401 – 15819.404 of the Government Code

#### Consider adoption of a resolution to:

1. Authorize the sale of the State Public Works Board Lease Revenue Bonds, 2012 Series A, Various Capital Projects.
2. Approve the form of and authorize the execution of a One Hundred and Eighth Supplemental Indenture between the State Treasurer and the Board.
3. Approve the form of and authorize the execution and delivery of Site Leases between the above listed Participating Agencies and the Board.
4. Approve the form of and authorize the execution and delivery of Facility Leases between the Board and the above listed Participating Agencies.
5. Approve the form of and authorize the execution and delivery of a Third Amendment to the Site Lease dated November 1, 1994 between the Department of Corrections and Rehabilitation and the Board related to previous financings at the California State Prison – Monterey County (Soledad II).
6. Approve the form of and authorize the execution and delivery of a Seventh Amendment to the Facility Lease dated as of November 1, 1994 between the Department of Corrections and Rehabilitation and the Board related to previous financings at the California State Prison – Monterey County (Soledad II).
7. Approve the form of and authorize the execution of a Project Delivery Agreement for each of the above listed projects between the Board and the above listed Participating Agencies.

8. Approve the form of and authorize the execution and delivery of a Continuing Disclosure Agreement by and among the Board, the State Treasurer and the above listed Participating Agencies.
9. Approve the form of and authorize the execution of a Purchase Contract by and among the Board, the State Treasurer and the underwriters named therein.
10. Approve the form of and authorize the delivery of a Preliminary Official Statement.
11. Approve and authorize the delivery of an Official Statement.
12. Approve other related actions in connection with the authorization, issuance, sale, and delivery of said revenue bonds.

<b>Estimated Project Costs to be Financed</b>	<b>\$797,493,000</b>
<b>Estimated Par Value of Bonds to be Issued</b>	<b>\$902,955,000</b>
<b>“To Not Exceed” Par Amount</b>	<b>\$994,665,000</b>

## BOND ITEMS

### STAFF ANALYSIS ITEM—1

2012 Series A  
Various Capital Projects

#### Action Requested

If approved, the requested action would authorize the sale of the 2012 Series A lease revenue bonds and other related actions in connection with the issuance, sale, and delivery of said revenue bonds, including approving the forms of and authorizing the execution of a supplemental indenture, site leases, facility leases, certain amendments to the site and facility leases at Salinas Valley State Prison, project delivery agreements, a continuing disclosure agreement, a Purchase Contract and, authorizing the delivery of a preliminary official statement, and an official statement.

## Scope Descriptions and Funding

**The projects are within scope and cost.**

### **Judicial Council Project**

*Madera Courthouse Project* (the “Madera Project”) consists of construction of a new courthouse for the Superior Court of California, County of Madera. The new courthouse will consist of a 115,804 square foot facility with 10 courtrooms and a separate on-site 256-space, 90,846 square foot parking garage. The facility will be four stories over a basement and will be located on approximately 3.0 acres of state-owned land. The structure will sit on a seismically reinforced concrete slab footing and will consist of steel and concrete structure that is sheathed in granite panels, curtain wall glazing, and zinc panels. Steel columns and beams support floor and roof constructed of metal decking filled with concrete. The building is designed for sustainability with a goal of achieving a Leadership in Energy and Environmental Design Silver rating from the United States Green Building Council.

The Madera Project is estimated to go out to bid in April 2012. Construction of the Madera Project is expected to commence in July 2012, is expected to last 21 months, and occupancy is expected in April 2014. The total project cost is estimated to be \$100,208,000, of which approximately \$88,248,000 is expected to be financed from the 2012A Bonds.

### **Department of Corrections and Rehabilitation Projects**

*Salinas Valley State Prison, Soledad: Enhanced Outpatient Program Treatment and Office Space Project* (the “SVSP Project”) consists of the design and construction of a new two-story, stand alone building adjacent to existing housing. The new building will be approximately 27,200 square feet and will accommodate administration, treatment, and custody services required to support treatment for approximately 300 inmate patients. The foundation will be slab-on-grade and exterior walls will be constructed of concrete masonry unit. Interior walls will consist of gypsum board sheathing over light gauge steel stud framing or concrete masonry unit where required for structural or security purposes. This project will also include 46 parking spaces for new staff. The building is designed for sustainability with a goal of achieving a Leadership in Energy and Environmental Design Silver rating from the United States Green Building Council.

Design of the SVSP Project is complete. Construction commenced in February 2012, is expected to last approximately 19 months, and occupancy is expected in September 2013. The total SVSP Project cost is estimated to be \$19,734,000, all of which is expected to be financed with proceeds from the 2012A Bonds.

*California Health Care Facility, Stockton Project* (the “CHCF Project”) consists of the design and construction of an approximately 1.2 million square foot, fully autonomous institution for adult male inmate patients with serious or chronic medical and mental health needs. Inmate housing will include space for a total of approximately 1,600 inmates, including Medical-High Acuity, Medical-Low Acuity, Mental Health-Intermediate Care Facility-High Custody, Mental Health-Acute Psychiatric, Mental Health Crisis Bed, and permanent work crew inmates. The facility will be enclosed in a secure perimeter that includes a lethal electrified fence, 11 guard towers, and two controlled entry points.

The CHCF Project consists of the design and construction of a complex with 37 single story buildings including various housing units, a central facility shared services

treatment building, administration building, main kitchen, central utility plant, main warehouse, plant maintenance shops, and various support buildings. All of the building foundations are slab-on-grade construction with precast concrete or concrete masonry exterior walls. Interior construction includes painted concrete/masonry walls or gypsum board sheathing over light gauge steel stud framing. Inmate patient rooms are typically constructed of a pre-manufactured steel security wall system. This project will also include approximately 2,000 parking spaces. The building is designed for sustainability with a goal of achieving a Leadership in Energy and Environmental Design Silver rating from the United States Green Building Council.

The CHCF Project is being completed using a design-build project delivery. There are two design-build contracts for this project. The first design-build contract was awarded to a joint venture comprised of Granite and Hensel Phelps Construction Company. This contract consists primarily of the site mass grading and all building pads, the secure perimeter, and all improvements outside of the secure perimeter. The second design-build contract was awarded to a joint venture comprised of Clark Construction and McCarthy. This contract consists primarily of all improvements within the secure perimeter beyond preparation of the building pads.

Construction commenced in November 2010, is expected to last approximately 33 months, and occupancy is expected in August 2013. In order to treat the intended inmate population, various state approvals related to licensure are required. The total CHCF Project cost is estimated to be \$839,511,000, of which \$689,511,000 is expected to be financed with proceeds from the 2012A Bonds.

**Staff Recommendation:     Adopt the resolution.**

## CONSENT ITEMS

### CONSENT ITEM—1

**JUDICIAL COUNCIL OF CALIFORNIA (0250)  
ADMINISTRATIVE OFFICE OF THE COURTS  
NEW STOCKTON COURTHOUSE (33 HUNTER SQUARE SITE)  
SAN JOAQUIN COUNTY**

AOC Facility Number 39-F1, DGS Parcel Number 10686

*Authority: Chapters 171 and 172, Statutes of 2007, Item 0250-301-3037 (6), as reappropriated by the Budget Act of 2008  
Chapters 268 and 269, Statutes of 2007, Item 0250-301-3037 (7), as reappropriated by the Budget Act of 2009  
Chapter 1, Statutes of 2009, Third Extraordinary Session, Item 0250-301-3037 (11), as amended by, Chapter 1, Statutes of 2009, Fourth Extraordinary Session, as reappropriated by the Budget Act of 2010  
Chapter 712, Statutes of 2010, Item 0250-301-0660 (6), as reappropriated by the Budget Act of 2011*

**Consider authorizing acquisition**

## CONSENT ITEMS

### STAFF ANALYSIS ITEM—1

Judicial Council of California  
Administrative Office of the Courts  
New Stockton Courthouse (33 Hunter Square Site)  
San Joaquin County

#### Action Requested

**If approved, the requested action would authorize acquisition for this project.**

#### Scope Description

**This project is within scope.** The requested action would authorize acquisition of approximately 0.10 acres of improved land for the construction of a new 30-courtroom, 283,000 square foot facility for use by the Superior Court of California for judicial, administrative, and related purposes. The project includes secure parking for judicial officers and staff and surface parking for visitors. The 33 Hunter Square site is situated adjacent to the main courthouse parcel, the Hunter Square site (approximately 1.0 acres), that was authorized by the Board as a no-cost acquisition on September 14, 2009. An additional parcel, 45 Hunter Square has also been submitted to the Board for acquisition approval as a separate item in this agenda.

### Funding and Cost Verification

**This project is within cost.** A total of \$272,939,000 has been appropriated for acquisition, preliminary plans, working drawings, and construction. This property can be acquired with the funds available and in accordance with legislative intent.

\$ 272,939,000	total authorized project costs
\$ 272,939,000	total estimated project costs
\$ 14,962,000	project costs previously allocated: \$5,045,000 acquisition and \$9,917,000 preliminary plans
\$ 256,452,000	project costs to be allocated: \$1,525,000 acquisition, \$13,186,000 working drawings, and \$243,266,000 construction (\$216,811,000 contract, \$10,841,000 contingency, \$3,418,000 A&E, and \$12,196,000 other project costs)

### CEQA

A Notice of Exemption was filed with the State Clearinghouse on September 2, 2010, and the 35-day statutes of limitation period expired on October 4, 2010, without challenge.

### Project Schedule

Close of escrow	April 2012
Approval of preliminary plans	June 2012
Complete working drawings	October 2013
Start construction	February 2014
Complete construction	April 2016

### Condition of Property

A Phase I Environmental Site Assessment (ESA) was completed in January 2008. While no recognized environmental conditions were observed and none were identified in the Phase I ESA, there is a possibility that shallow groundwater beneath the property may exist. The Phase I ESA identified three existing sources of the groundwater contamination which are off-site but in near proximity to the proposed courthouse site. These off-site locations are recorded under the Underground Storage Tanks program due to previous operations which have contaminated the soils and shallow water and cleanup is underway. The Phase I identified that there is a potential for groundwater contamination from offsite source due to the close proximity of these three sites. The Phase I ESA recommended a Phase II ESA be conducted.

A Phase II Environmental Site Assessment (ESA) was completed in October, 2010. The Phase II investigation was conducted to assess potential impacts to soil and groundwater found in the previous ESAs. The Phase II ESA indicates that there are no significant environmental impacts in any of the soil, groundwater or soil vapor samples collected at the sites. No further investigations appear warranted.

In October, 2010, staff from Department of General Services (DGS) visited 33 Hunter Square. The property consists of existing parcels (33 Hunter Square and 45 Hunter Square), approximately 1 acre, adjacent to the current Courthouse in downtown Stockton. A parking lot occupies the northern portion of the site, and a small park occupies the southern portion of the site.

### Indemnification

The Property Acquisition Agreement (PAA) does not include the state's standard indemnification language. The PAA also includes language that requires the state to accept the site in an "as



is, where is” condition, with no indemnification. However, the Phase 1 and Phase II ESAs do not indicate any conditions that would likely pose exceptional risk to the state. In addition, the Administrative Office of the Courts will obtain a Pollution Liability Policy naming the state and the San Joaquin County as Insureds and will maintain the policy for a period of three years from the Close of Escrow. Based on the Phase I and II ESA conclusions and the purchase of the Pollution Liability Policy, Board staff recommend accepting the “as-is, where-is” language in the PAA.

Other:

- Concurrent with the title acquisition of the main New Stockton Courthouse parcel, the State will enter into an Agreement and Grant of Easements with the City of Stockton (City) whereby the City will grant two appurtenant easements to the State for ingress and egress from the adjacent public street to the courthouse secured underground parking area, prisoner holding areas and related security and yard improvement areas.
- Following the state’s acquisition of the site, the existing tenant of the on-site office building will lease back the building from the state through November 30, 2012. The tenant will be responsible for ongoing maintenance and utilities.
- Relocation assistance will be required for the tenant currently occupying the on-site office building. A relocation plan was approved by DGS on January 26, 2012. Relocation costs are estimated to be \$150,000.
- The property is situated within a redevelopment agency (RDA) plan area. A Memorandum of Understanding was entered into with the RDA in May 2011, wherein the RDA waives for the state courthouse project any restriction and control rights it may have under its current or future redevelopment plan.
- The Board approved site selection for this property at its April 11, 2008, meeting.
- The proposed site meets the size, location, and compatibility requirements of the Judicial Council of California.
- The purchase price shall not exceed the estimated fair market value as indicated in a DGS-approved appraisal.
- There are no historic issues and no implied dedication associated with this project.

**Staff Recommendation:     Authorize acquisition.**

## CONSENT ITEMS

### CONSENT ITEM—2

**JUDICIAL COUNCIL OF CALIFORNIA (0250)  
ADMINISTRATIVE OFFICE OF THE COURTS  
NEW STOCKTON COURTHOUSE (45 HUNTER SQUARE SITE)  
SAN JOAQUIN COUNTY**

AOC Facility Number 39-F1, DGS Parcel Number 10687

*Authority: Chapters 171 and 172, Statutes of 2007, Item 0250-301-3037 (6), as reappropriated by the Budget Act of 2008  
Chapters 268 and 269, Statutes of 2007, Item 0250-301-3037 (7), as reappropriated by the Budget Act of 2009  
Chapter 1, Statutes of 2009, Third Extraordinary Session, Item 0250-301-3037 (11), as amended by, Chapter 1, Statutes of 2009, Fourth Extraordinary Session, as reappropriated by the Budget Act of 2010  
Chapter 712, Statutes of 2010, Item 0250-301-0660 (6), as reappropriated by the Budget Act of 2011*

**Consider authorizing acquisition**

## CONSENT ITEMS

### STAFF ANALYSIS ITEM—2

Judicial Council of California  
Administrative Office of the Courts  
New Stockton Courthouse (45 Hunter Square Site)  
San Joaquin County

Action Requested

**If approved, the requested action would authorize acquisition for this project.**

Scope Description

**This project is within scope.** The requested action would authorize acquisition of approximately 0.11 acres of improved land for the construction of a new 30-courtroom, 283,000 square foot facility for use by the Superior Court of California for judicial, administrative, and related purposes. The project includes secure parking for judicial officers and staff and surface parking for visitors. The 45 Hunter Square site is situated adjacent to the main courthouse parcel, the Hunter Square site (approximately 1.0 acres), that was authorized by the Board as a no-cost acquisition on September 14, 2009. An additional parcel, 33 Hunter Square has also been submitted to the Board for acquisition approval as a separate item in this agenda.

### Funding and Cost Verification

**This project is within cost.** A total of \$272,939,000 has been appropriated for acquisition, preliminary plans, working drawings, and construction. This property can be acquired with the funds available and in accordance with legislative intent.

\$ 272,939,000	total authorized project costs
\$ 272,939,000	total estimated project costs
\$ 14,962,000	project costs previously allocated: \$5,045,000 acquisition and \$9,917,000 preliminary plans
\$ 256,452,000	project costs to be allocated: \$1,525,000 acquisition, \$13,186,000 working drawings, and \$243,266,000 construction (\$216,811,000 contract, \$10,841,000 contingency, \$3,418,000 A&E, and \$12,196,000 other project costs)

### CEQA

A Notice of Exemption was filed with the State Clearinghouse on September 2, 2010, and the 35-day statutes of limitation period expired on October 4, 2010, without challenge.

### Project Schedule

Close of escrow	April 2012
Approval of preliminary plans	June 2012
Complete working drawings	October 2013
Start construction	February 2014
Complete construction	April 2016

### Condition of Property

A Phase I Environmental Site Assessment (ESA) was completed in January 2008. While no recognized environmental conditions were observed and none were identified in the Phase I ESA, there is a possibility that shallow groundwater beneath the property may exist. The Phase I identified three existing sources of the groundwater contamination which are off-site but in near proximity to the proposed courthouse site. These off-site locations are recorded under the Underground Storage Tanks program due to previous operations which have contaminated the soils and shallow water and cleanup is underway. The Phase I identified that there is a potential for groundwater contamination from offsite source due to the close proximity of these three sites. The Phase I ESA recommended a Phase II ESA be conducted.

A Phase II Environmental Site Assessment (ESA) was completed in October, 2010. The Phase II investigation was conducted to assess potential impacts to soil and groundwater found in the previous ESA. The Phase II ESA indicates that there are no significant environmental impacts in any of the soil, groundwater or soil vapor samples collected at the sites. No further investigations appear warranted.

In October, 2010, staff from Department of General Services (DGS) visited 33 Hunter Square. The property consists of existing parcels (33 Hunter Square and 45 Hunter Square), approximately 1 acre, adjacent to the current Courthouse in downtown Stockton. A parking lot occupies the northern portion of the site, and a small park occupies the southern portion of the site.

### Indemnification

The Property Acquisition Agreement (PAA) does not include the state's standard indemnification language. The PAA also includes language that requires the state to accept the site in an "as is, where is," condition, with no indemnification. However, the Phase 1 and Phase II ESAs do not indicate any conditions that would likely pose exceptional risk to the state. In addition, the Administrative Office of the Courts will obtain a Pollution Liability Policy naming the state and the San Joaquin County as Insureds and will maintain the policy for a period of three years from the Close of Escrow. Based on the Phase I and II ESA conclusions and the purchase of the Pollution Liability Policy, Board staff recommend accepting the "as-is, where-is" language in the PAA.

### Other

- Concurrent with the title acquisition of the main New Stockton Courthouse parcel, the State will enter into an Agreement and Grant of Easements with the City of Stockton (City) whereby the City will grant two appurtenant easements to the State for ingress and egress from the adjacent public street to the courthouse secured underground parking area, prisoner holding areas and related security and yard improvement areas.
- One-half interest in title to the site is vested in the estate of decedent Donald D. Boscoe and is subject to the administration of the estate. Once the acquisition receives PWB approval, notice will be given to the beneficiaries of the estate, Boscoe's son and daughter, and if there is no objection, the proposed sale can be consummated without having to obtain an order of the probate court. The AOC has been in contact with the beneficiaries and they do not object to the sale. If an order from the probate court is required, it will take approximately 90 days to acquire.
- Relocation assistance will be required for the tenants currently occupying the mixed-use office building. A relocation plan was approved by DGS on January 31, 2012. Relocation costs are estimated to be \$130,000.
- The property is situated within a redevelopment agency (RDA) plan area. A Memorandum of Understanding was entered into with the RDA in May 2011, wherein the RDA waives for the state courthouse project any restriction and control rights it may have under its current or future redevelopment plan.
- The Board approved site selection for this property at its April 11, 2008 meeting.
- The proposed site meets the size, location, and compatibility requirements of the Judicial Council of California.
- The purchase price shall not exceed the estimated fair market value as indicated in a DGS-approved appraisal.
- There are no historic issues and no implied dedication associated with this project.

**Staff Recommendation:     Authorize acquisition.**

## CONSENT ITEMS

### CONSENT ITEM—3

JUDICIAL COUNCIL OF CALIFORNIA (0250)  
ADMINISTRATIVE OFFICE OF THE COURTS  
NEW HANFORD COURTHOUSE  
KINGS COUNTY  
AOC Facility Number 16-A5

*Authority: Sections 70371.5 and 70371.7 of the Government Code  
Chapter 33, Statutes of 2011, Item 0250-301-3138 (5)*

#### Consider approving:

- a. preliminary plans
- b. a reversion of project savings \$5,559,000

## CONSENT ITEMS

### STAFF ANALYSIS ITEM—3

Judicial Council of California  
Administrative Office of the Courts  
New Hanford Courthouse  
Kings County

#### Action Requested

**If approved, the requested action would approve preliminary plans and revert project savings.**

#### Scope Description

**This project is within scope.** This project will construct a new 12-courtroom, 144,500 square foot facility on 9.5 acres in the City of Hanford, Kings County. The project will consolidate court operations and provide secure parking for judicial officers and staff. Additionally, the project includes surface parking on the courthouse property.

### Funding and Cost Verification

**This project is within cost.** A total of \$20,833,000 has been appropriated for acquisition, preliminary plans, and working drawings. Acquisition costs were less than estimated because Kings County offset the cost of the land with an exchange in the court's equity in the current courthouse.

\$136,460,000	total authorized project costs
\$130,901,000	total estimated project costs
\$ 6,932,000	project costs previously allocated: \$701,000 acquisition, \$6,231,000 preliminary plans
\$123,969,000	project costs to be allocated: \$8,342,000 working drawings and construction \$115,627,000 (\$102,249,000 contract, \$5,112,000 contingency, \$2,045,000 A&E, \$6,221,000 other project costs)
\$ 5,559,000	amount to be reverted: acquisition

### CEQA

A Notice of Determination was filed with the State Clearinghouse on January 20, 2011, and the 30-day statutes of limitation expired on February 18, 2011, without challenge.

### Real Estate Due Diligence

A due diligence memo will be completed for this project concurrent with the working drawings phase.

### Project Schedule

Close of escrow	January 2012
Approve preliminary plans	March 2012
Complete working drawings	February 2013
Start construction	June 2013
Complete construction	February 2016

**Staff Recommendation:**     **Approve preliminary plans and revert project savings.**

## CONSENT ITEMS

### CONSENT ITEM—4

**JUDICIAL COUNCIL OF CALIFORNIA (0250)**  
**RENOVATION AND ADDITION TO JUVENILE JUSTICE CENTER**  
**SAN JOAQUIN COUNTY**  
AOC Facility Number 39-B1

*Authority: Sections 70371.5 and 70371.7 of the Government Code  
Chapter 33, Statutes of 2011, Item 0250-301-3138 (12)*

**Consider approving preliminary plans**

## CONSENT ITEMS

### STAFF ANALYSIS ITEM—4

Judicial Council of California  
Administrative Office of the Courts  
Renovation and Addition to Juvenile Justice Center  
San Joaquin County

#### Action Requested

**If approved, the requested action would approve preliminary plans.**

#### Scope Description

**This project is within scope.** This project will renovate and expand the existing two-courtroom Juvenile Justice Center in the City of French Camp, San Joaquin County. The one-courtroom expansion will be approximately 4,000 square feet. The renovation includes improvement to the existing lobby and exterior path of travel to address accessibility and security deficiencies. The Juvenile Justice Center and adjacent parcel for the expansion are owned by San Joaquin County. In November 2010, the Administrative Office of the Courts (AOC) and San Joaquin County entered into a Joint Occupancy Agreement (JOA) for the AOC's right to build on the expansion parcel and to modify space jointly occupied by the AOC and the County in the Juvenile Justice Center. The JOA provides the AOC indefinite rights to the Juvenile Justice Center and the expansion parcel.

### Funding and Cost Verification

**This project is within cost.** A total of \$3,877,000 has been appropriated for preliminary plans, working drawings, and construction. The construction estimate at the end of preliminary plans (100 percent design development) indicates that the estimated construction costs, as approved in the 2011 Budget Act, are within budget.

\$3,877,000	total estimated project costs
\$3,877,000	total authorized project costs
\$ 244,000	project costs previously allocated: preliminary plans
\$3,633,000	project costs to be allocated: \$259,000 working drawings and \$3,374,000 construction (\$2,880,000 contract, \$202,000 contingency, \$127,000 A&E, and \$165,000 other project costs)

### CEQA

A Notice of Exemption was filed with the State Clearinghouse on March 8, 2011, and the 35-day statutes of limitation expired on April 11, 2011, without challenge.

### Real Estate Due Diligence

A due diligence memo will be completed for this project concurrent with the working drawings phase.

### Project Schedule

Approve preliminary plans	March 2012
Complete working drawings	November 2012
Start construction	April 2013
Complete construction	May 2014

**Staff Recommendation:     Approve preliminary plans.**



## CONSENT ITEMS

### CONSENT ITEM—5

#### CALIFORNIA HIGHWAY PATROL (2720)

#### CHP ENHANCED RADIO SYSTEM: REPLACE TOWERS AND VAULTS, PHASE 1 VARIOUS COUNTIES

*Authority: Chapter 1 Statutes of 2009, Third Extraordinary Session, Item 2720-301-0044 (1)  
as amended by Chapter 1 Statutes of 2009, Fourth Extraordinary Session, and  
as partially reverted by the Budget Act of 2010  
Chapter 712, Statutes of 2010, Item 2720-301-0044 (1)  
Chapter 33, Statutes of 2011, Item 2720-301-0044 (1)*

#### Consider approving:

- a. preliminary plans for the Sacramento Mountain site
- b. a reversion of bid savings for the Soda Ridge site \$489,000

## CONSENT ITEMS

### STAFF ANALYSIS ITEM—5

Department of California Highway Patrol  
CHP Enhanced Radio System: Replace Towers and Vaults, Phase 1  
Various Counties

#### Action Requested

**If approved, the requested action would approve preliminary plans for the Sacramento Mountain site and a reversion of bid savings for the Soda Ridge site.**

#### Scope Description

**This project is within scope.** The Sacramento Mountain (San Bernardino County) site includes the construction of a self-supporting radio tower, foundation and associated support structure, photovoltaic array, site fencing and the demolition and removal of the existing tower and propane tanks. The tower shall be built to meet essential services seismic standards, withstand winds of 100 mph, and have a 50-year serviceable life.

### Funding and Cost Verification

**This project is within cost.** The Budget Act of 2009 provides \$6.3 million Motor Vehicle Account (MVA) for the preliminary plans and working drawings for 15 tower and vault replacements. The Budget Act of 2010 provides an additional \$26.2 million MVA for construction and reverted \$208,000 MVA in design savings associated with a May 2010 scope change that replaced two sites. Finally, the Budget Act of 2011 provided \$200,000 for acquisition. In April 2011, a scope change resulted in the removal of seven tower sites and project savings of \$16.8 million, reducing the authorized amount to \$15.9 million. In May 2011, an additional \$1.7 million was reverted, bringing the overall project cost to \$14.2 million.

Of the remaining eight sites, there is a combined estimated construction surplus of \$631,000. This surplus may result in construction savings based on the current bid environment, but will be left with the project until bids are received. However, the Soda Ridge (Siskiyou County) site's recent bid resulted in project savings of \$489,000, which will be reverted.

\$ 14,160,000	total authorized project costs
\$ 13,040,000	total estimated project costs
\$ 6,613,000	project costs previously allocated: \$45,000 acquisition, \$1,879,000 preliminary plans, \$892,000 working drawings and \$3,797,000 construction
\$ 6,427,000	project costs to be allocated: \$155,000 acquisition, \$548,000 working drawings and \$5,724,000 construction (\$4,071,000 contract, \$203,000 contingency, \$456,000 A&E and \$994,000 other project costs)
\$ 631,000	estimated construction surplus
\$ 489,000	to be reverted: bid savings

### CEQA

A Notice of Exemption for the Sacramento Mountain site was filed with the State Clearinghouse on February 2, 2012 and the 35-day statutes of limitation will expire on March 8, 2012.

### Real Estate Due Diligence

A due diligence memo will be completed for the Sacramento Mountain site concurrent with the working drawings phase.

### Project Schedule

Approve preliminary plans	March 2012
Complete working drawings	August 2012
Start construction	November 2012
Complete construction	July 2013

**Staff Recommendation:**      **Approve preliminary plans for the Sacramento Mountain site and revert bid savings for the Soda Ridge site.**

## CONSENT ITEMS

### CONSENT ITEM—6

**CALIFORNIA HIGHWAY PATROL (2720)**

**CHP ENHANCED RADIO SYSTEM: REPLACE TOWERS AND VAULTS, PHASE 2  
VARIOUS COUNTIES**

*Authority: Chapter 712, Statutes of 2010, Item 2720-301-0044 (2)  
Chapter 33, Statutes of 2011, Item 2720-301-0044 (2)*

**Consider approving preliminary plans for the Colby Mountain and Rodman Mountain sites**

## CONSENT ITEMS

### STAFF ANALYSIS ITEM—6

Department of California Highway Patrol  
CHP Enhanced Radio System: Replace Towers and Vaults, Phase 2  
Various Counties

#### Action Requested

**If approved, the requested action would approve preliminary plans for the Colby Mountain and Rodman Mountain sites.**

#### Scope Description

**This project is within scope.** The project consists of six sites that include the construction of a self-supporting radio tower, foundation and associated support structure as well as the extension of underground utilities or addition of solar arrays, site fencing and the demolition and removal of the existing tower. Each tower shall be built to meet essential services seismic standards, withstand winds of 100 mph, and have a 50-year serviceable life. In addition, the Colby Mountain (Tehama County) and Rodman Mountain (San Bernardino County) sites each include a radio equipment and generator vault with an emergency generator and propane fuel system.

### Funding and Cost Verification

**This project is within cost.** The Budget Act of 2010 provides \$2.8 million Motor Vehicle Account (MVA) for the preliminary plans and working drawings for six tower and vault replacements. The Budget Act of 2011 provides an additional \$12.3 million MVA for acquisition and construction. In February 2012, an additional \$85,000 was approved for acquisition to complete the Mitigated Negative Declaration process at the Truckee Site.

Presently, there is an estimated surplus in the construction phase of \$143,000 which is attributed to lower escalation than originally projected, which will remain until the projects have bid.

\$ 15,201,000	total authorized project costs (acquisition, preliminary plans, working drawings and construction)
\$ 15,058,000	total estimated project costs
\$ 1,738,000	project costs previously allocated: \$117,000 acquisition and \$1,621,000 preliminary plans
\$ 13,320,000	project costs to be allocated: \$125,000 acquisition \$1,199,000 working drawings and \$11,996,000 construction (\$9,074,000 contract, \$454,000 contingency, \$909,000 A&E and \$1,559,000 other project costs)
\$ 143,000	estimated construction surplus

### CEQA

A Notice of Exemption for the Colby Mountain site was filed on with the State Clearinghouse January 26, 2012, and for the Rodman Mountain site on February 2, 2012. The 35-day statutes of limitation will expire on March 2, 2012 and March 8, 2012, respectively.

### Real Estate Due Diligence

A due diligence memo will be completed for the each of the subject sites concurrent with the working drawings phase.

### Project Schedule

Close of escrow	August 2012
Approve preliminary plans	March 2012
Complete working drawings	September 2012
Start construction	April 2013
Complete construction	November 2014

**Staff Recommendation:**      **Approve preliminary plans for the Colby Mountain and Rodman Mountain sites.**

## CONSENT ITEMS

### STAFF ANALYSIS ITEM—7

DEPARTMENT OF CORRECTIONS AND REHABILITATION (5225)

CALIFORNIA STATE PRISON, CORCORAN

ADMINISTRATIVE SEGREGATION UNIT/ENHANCED OUTPATIENT PROGRAM

TREATMENT AND OFFICE SPACE

KINGS COUNTY

*Authority: Sections 15819.40 (c) and (d) and 15819.401 – 15819.404 of the Government Code*

**Consider recognizing revised project costs**

## CONSENT ITEMS

### STAFF ANALYSIS ITEM—7

Department of Corrections and Rehabilitation

California State Prison, Corcoran

Administrative Segregation Unit/Enhanced Outpatient Program Treatment and Office Space

Kings County

#### Action Requested

**If approved, the requested action would recognize revised project costs for an increase of \$168,000.**

#### Scope Description

**This project is within scope.** This project will design and construction of a new two-story mental health treatment and office space building to serve Administrative Segregation Unit (ASU)/Enhanced Outpatient Program (EOP) inmate-patients. The new building will be approximately 14,900 square feet and will accommodate administration, treatment, and custody services required to support treatment for approximately 99 inmate-patients. The new building will be constructed with a concrete mat foundation and CMU exterior walls. The building is designed to be sustainable with the goal of achieving a LEED Silver rating from the United States Green Building Council.

The first floor of the new mental health building will be the inmate-patient treatment area. This portion of the building will contain one-on-one non-contact treatment rooms, group treatment rooms, a recreation therapy room, a classroom, a treatment team meeting room, a charting area, an inmate-patient waiting area, a storage room, inmate and staff restrooms, and a janitor's closet. The second floor will be a staff-only area that provides appropriate office and administrative space for program staff and clinicians. This portion of the building will include private offices, semi-private offices and work stations, a conference room, a file room, a copy/work room, a staff break room, restrooms, and a janitor's closet.

The ASU/EOP building will be located within the secure perimeter adjacent to existing housing. As part of this project, two existing recreation yards will be demolished and replaced to make room for the new mental health building. Approximately 14 additional staff parking spaces will also be provided north of the existing administration/visitor parking area as part of this project.

#### Funding and Cost Verification

**This project is not within cost.** On February 16, 2010, the Board took an action allocating \$17,670,000 of the \$710,940,000 Public Buildings Construction Fund (lease revenue bond authority) appropriated in section 15819.403(a) of the Government Code for medical, dental and mental health projects to complete design and construction for this project. A new project cost estimate completed in association with completion of preliminary plans identified a \$1,168,000 decrease in project costs. Consequently, on March 11, 2011 the Board took an action recognizing this decrease and a revised total authorized project cost of \$16,502,000.

Subsequent to this action a new project cost estimate was prepared in association with completion of working drawings and the determination to use Inmate/Ward Labor (IWL) resources to complete construction. This new estimate identified an additional \$5,925,000 decrease in project costs. Consequently, on September 9, 2011 the Board took an action recognizing this decrease and a revised total authorized project cost of \$10,577,000.

The CDCR is now requesting an additional \$168,000 for Architectural & Engineering (A&E) construction support services. Projects being constructed by the IWL program typically use in-house A&E staff for construction support to provide responses to requests for information from IWL field construction staff and to review procurement specifications and submittals. However, the CDCR currently has a high vacancy rate for in-house A/E construction support staff. Because of these limited in-house resources the CDCR is currently unable to provide adequate A&E construction support and contract A&E construction support services are necessary to complete this project. The estimated cost to transfer construction support to the consultant architect of record (\$124,000) and provide increased program management services to manage these consultant services (\$44,000) is \$168,000. This action will recognize this increase and a revised total authorized project cost of \$10,745,000, as detailed below.

\$10,577,000	total authorized project costs
\$10,745,000	total estimated project costs
\$10,577,000	project costs previously allocated: \$795,000 preliminary plans, \$882,000 working drawings, and \$8,900,000 construction (\$6,723,000 contract, \$336,000 contingency, \$80,000 A&E, \$409,000 other project costs, and \$1,352,000 agency retained items)
\$ 168,000	project cost increase: construction (\$124,000 A&E, \$44,000 other project costs)

### CEQA

A Notice of Determination was filed with the State Clearinghouse on February 22, 2010, and the 30-day statutes of limitation expired on March 24, 2010, without challenge.

### Real Estate Due Diligence

A Summary of Conditions Letter for this project was completed on March 10, 2011, and no issues that would adversely affect the quiet use and enjoyment of the project were identified.

### Project Schedule

Approve preliminary plans	March 2011
Complete working drawings	September 2011
Start construction	September 2011
Complete construction	February 2013

**Staff Recommendation:**     **Recognize revised project costs**

## CONSENT ITEMS

### CONSENT ITEM—8

DEPARTMENT OF CORRECTIONS AND REHABILITATION (5225)  
CALIFORNIA HEALTH CARE FACILITY  
INFILL PROJECT  
SAN JOAQUIN COUNTY

*Authority: Sections 15819.40 (a) and (d) and 15819.401 – 15819.404 of the Government Code*

**Consider recognizing revised project costs**

## CONSENT ITEMS

### STAFF ANALYSIS ITEM—8

Department of Corrections and Rehabilitation  
California Health Care Facility, Infill Project  
San Joaquin County

#### Action Requested

**If approved, the requested action would recognize revised project costs for a decrease of \$66,845,000.**

#### Scope Description

**This project is within scope.** This project will design and construct an approximately 1.2 million square feet, fully autonomous institution for adult male inmate patients with serious or chronic medical and mental health needs. Inmate housing will include space for a total of approximately 1,600 inmates, including Medical-High Acuity, Medical-Low Acuity, Mental Health-Intermediate Care Facility-High Custody, Mental Health-Acute Psychiatric, Mental Health Crisis Bed, and permanent work crew inmates. The facility will be enclosed in a secure perimeter that includes a lethal electrified fence, 11 guard towers, and two controlled entry points.



The California Health Care Facility (CHCF) project consists of the design and construction of a complex with 37 single story buildings including various housing units, a central facility shared services treatment building, administration building, main kitchen, central utility plant, main warehouse, plant maintenance shops, and various support buildings. All of the building foundations are slab-on-grade construction with precast concrete or concrete masonry exterior walls. Interior construction includes painted concrete/masonry walls or gypsum board sheathing over light gauge steel stud framing. Inmate-patient rooms are typically constructed of a pre-manufactured steel security wall system. This project will also include approximately 2,000 parking spaces. The building is designed to be sustainable with the goal of achieving a LEED Silver rating from the United States Green Building Council.

The CHCF project is being completed using a design-build project delivery. There are two design-build contracts for this project. The first design-build contract was awarded to a joint venture comprised of Granite and Hensel Phelps Construction Company. This contract consists primarily of the site mass grading and all building pads, the secure perimeter, and all improvements outside of the secure perimeter. The second design-build contract was awarded to a joint venture comprised of Clark Construction and McCarthy. This contract consists primarily of all improvements within the secure perimeter beyond preparation of the building pads.

#### Funding and Cost Verification

**This project is within cost.** Sections 15819.40 (a) and 15819.401–15819.404 of the Government Code appropriated \$1.8 billion lease revenue bond financing authority to the Department of Corrections and Rehabilitation to design, construct, or renovate housing units, support buildings, and programming space in order to add up to 12,000 beds at existing prison facilities. The Board established the scope, cost, and schedule of the CHCF project on June 14, 2010, allocating \$906,356,000 from this appropriation for design and construction of this project. A new project cost estimate was completed after the award of the design-build contracts that identified a \$66,845,000 decrease in project costs. This action will recognize this decrease and a revised total authorized project cost of \$839,511,000.

\$906,356,000	total authorized project costs
\$839,511,000	total estimated project costs
\$ 24,254,000	project costs previously allocated (site cleanup, design-bid-build): \$912,000 preliminary plans, \$801,000 working drawings, and \$22,541,000 construction (\$19,169,000 contract, \$1,337,000 contingency, \$880,000 A&E, and \$1,155,000 other project costs)
\$882,102,000	project costs previously allocated (design-build): \$40,403,000 performance criteria and concept drawing, and \$841,699,000 design/build (\$706,396,000 contract, \$35,320,000 contingency, \$18,738,000 A&E, \$24,550,000 other project costs, and \$56,695,000 agency retained items)
\$ 10,830,000	project cost decrease (site cleanup, design-bid-build): \$132,000 preliminary plans, \$222,000 working drawings, and \$10,476,000 construction (\$8,368,000 contract, \$1,337,000 contingency, \$601,000 A&E, and \$170,000 other project costs)
\$ 56,015,000	project cost decrease (design-build): \$18,093,000 performance criteria and concept drawing, and \$37,922,000 design/build (\$64,396,000 contract, \$3,220,000 contingency, \$8,450,000 agency retained items and increases of \$503,000 A&E, and \$37,641,000 other project costs)

## CEQA

A Notice of Determination was filed with the State Clearinghouse on October 19, 2009. A legal challenge was raised before the statutes of limitation for this item expired on November 18, 2009. However, the challenge was resolved through a settlement agreement on June 11, 2010.

## Real Estate Due Diligence

A Summary of Conditions Letter for this project was completed on July 20, 2011, and no issues that would adversely affect the quiet use and enjoyment of the project were identified.

## Project Schedule

Approve preliminary plans:

Phase I site cleanup	September 2010
Phase II site cleanup	December 2010

Complete working drawings:

Phase I site cleanup	October 2010
Phase II site cleanup	January 2011

Approve performance criteria and concept drawings:

Design-Build Phase I	December 2010
Design-Build Phase II	January 2011

Start construction:

Phase I site cleanup	November 2010
Phase II site cleanup	April 2011
Design-Build Phase I	June 2011
Design-Build Phase II	July 2011

Complete construction	July 2013
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**Staff Recommendation:**      **Recognize revised project costs.**

## CONSENT ITEMS

### CONSENT ITEM—9

DEPARTMENT OF CORRECTIONS AND REHABILITATION (5225)

SALINAS VALLEY STATE PRISON

FACILITY A GENERAL POPULATION/ENHANCED OUTPATIENT PROGRAM TREATMENT  
AND OFFICE SPACE

MONTEREY COUNTY

*Authority: Sections 15819.40 (c) and (d) and 15819.401 – 15819.404 of the Government  
Code*

**Consider recognizing revised project costs**

## CONSENT ITEMS

### STAFF ANALYSIS ITEM—9

Department of Corrections and Rehabilitation

Salinas Valley State Prison

Facility A General Population/Enhanced Outpatient Program Treatment and Office Space  
Monterey County

#### Action Requested

**If approved, the requested action would recognize revised project costs for a decrease of \$5,655,000.**

#### Scope Description

**This project is within scope.** This project will design and construct a new two-story, stand alone building adjacent to existing housing. The new building will be approximately 27,200 square feet and will accommodate administration, treatment, and custody services required to support treatment for approximately 300 inmate patients. The foundation will be slab-on-grade and exterior walls will be constructed of concrete masonry unit. Interior walls will consist of gypsum board sheathing over light gauge steel stud framing or concrete masonry unit where required for structural or security purposes. This project will also include 46 parking spaces for new staff. The building is designed to be sustainable with the goal of achieving a LEED Silver rating from the United States Green Building Council.

The first floor will be the secure inmate patient treatment area, approximately 16,400 square feet. This portion of the building will contain custody stations, one-on-one noncontact and contact interview rooms, group treatment rooms, recreation therapy rooms, classrooms, a conference room, an inmate-patient waiting area, storage space, inmate and staff restrooms, mechanical and electrical rooms, and a janitor's closet.

The second floor will be a staff only area that provides appropriate office and administrative space for program staff and clinicians, approximately 10,800 square feet. This portion of the building will include private offices, shared offices, open office area with work stations, a conference room with a dividable partition, a file room, a copy/work room, storage space, a staff break room, staff restrooms, and a telecom/data communications room.

#### Funding and Cost Verification

**This project is within cost.** On April 12, 2010, the Board took an action allocating \$28,857,000 of the \$710,940,000 Public Buildings Construction Fund (lease revenue bond authority) appropriated in section 15819.403 (a) of the Government Code for medical, dental and mental health projects to complete design and construction for this project. A new project cost estimate completed in association with completion of preliminary plans identified a \$3,458,000 decrease in project costs. Consequently, on January 14, 2011, the Board took an action recognizing this decrease and a revised total authorized project cost of \$25,399,000. Subsequent to this action a new project cost estimate was completed in association with award of the construction contract that identified an additional \$5,665,000 decrease in project costs. This action will recognize this decrease and a revised total authorized project cost of \$19,734,000.

\$ 25,399,000	total authorized project costs
\$ 19,734,000	total estimated project costs
\$ 25,399,000	project costs previously allocated: \$1,605,000 preliminary plans, \$1,474,000 working drawings, and \$22,320,000 construction (\$15,674,000 contract, \$784,000 contingency, \$1,135,000 A&E, \$1,534,000 other project costs, and \$3,193,000 agency retained items)
\$ 5,665,000	project cost decrease: \$207,000 preliminary plans and \$5,458,000 construction (\$5,419,000 contract, \$271,000 contingency, and increases of \$89,000 A&E, \$121,000 other project costs, and \$22,000 agency retained items)

#### CEQA

A Notice of Determination was filed with the State Clearinghouse on November 8, 2010, and the 30-day statutes of limitation expired on December 8, 2010, without challenge.

#### Real Estate Due Diligence

A Summary of Conditions Letter for this project was completed on September 30, 2010, and no issues that would adversely affect the quiet use and enjoyment of the project were identified.

#### Project Schedule

Approve preliminary plans	January 2011
Complete working drawings	August 2011
Start construction	February 2012
Complete construction	August 2013

**Staff Recommendation: Recognize revised project costs.**

## CONSENT ITEM

### CONSENT ITEM—10

CALIFORNIA STATE UNIVERSITY (6610)  
CALIFORNIA MARITIME ACADEMY  
PHYSICAL EDUCATION REPLACEMENT  
SOLANO COUNTY

*Authority: Chapters 268 and 269, Statutes of 2008, Item 6610-301-0660 (2)*

**Consider approving preliminary plans**

## CONSENT ITEM

### STAFF ANALYSIS ITEM—10

California Maritime Academy  
Physical Education Replacement  
Solano County

#### Action Requested

**If approved, the requested action would approve preliminary plans.**

#### Scope Description

**This project is within scope.** This project will provide for the construction of a replacement building for California Maritime Academy's Gymnasium and Natatorium (building #14) constructed in 1945. The project scope includes building a 38,601 gross square feet (26,500 assignable square feet) physical education replacement building at the campus entrance that will include an outdoor aquatics survival training pool.

#### Funding and Cost Verification

**This project is within cost.**

\$ 34,750,000	total authorized costs (state lease revenue bonds)
\$ 36,037,000	total estimated project costs
\$ 1,050,000	project costs previously allocated: preliminary plans
\$ 34,986,000	project costs to be allocated: \$1,015,000 working drawings, \$32,685,000 construction (\$28,574,000 contract, \$1,329,000 contingency, \$363,000 project administration, \$2,419,000 other project costs), and \$1,286,000 equipment

### CEQA

A Mitigated Negative Declaration was circulated for the project and no challenges were received within the thirty days following the filing. The project was approved and certified by the Board of Trustees in November of 2011.

### Real Estate Due Diligence

A title evaluation report, dated November 11, 2011, disclosed title exceptions referencing certain PG&E utility easements which encumber the project site. CSU has initiated discussions with PG&E to obtain a commitment and agreement to quitclaim the existing utility easements that runs across the project site (and instead run the utility lines around the perimeter of the project site) in exchange for a small fee. It is anticipated that a utility easement agreement with PG&E would be reached by the time the working drawings are completed.

### Project Schedule

Approve preliminary plans	March 2012
Complete working drawings	October 2012
Start construction	January 2013
Complete construction	August 2014

**Staff Recommendation:**     **Approve preliminary plans.**

## ACTION ITEMS

### **ACTION ITEM—1**

#### **CALIFORNIA HIGH SPEED RAIL AUTHORITY (2665) MERCED TO FRESNO AND FRESNO TO BAKERSFIELD VARIOUS COUNTIES**

*Authority: Chapter 712, Statutes of 2010, Items 2665-304-0890 (2.2, 2.3), 2665-304-6043 (2.2, 2.3), 2665-305-0890 (2.2, 2.3) and 2665-305-6043 (2.2, 2.3)  
Chapter 33, Statutes of 2011, Items 2665-304-0890 (3, 4), 2665-304-6043 (3, 4), 2665-305-0890 (3, 4) and 2665-305-6043 (3, 4)*

The Initial Construction Section (ICS) is the first phase of the building of the High Speed Train System and provides the track and structures to support the systems spine. The ICS is expected to be approximately 130 miles and will go from north of Fresno to north of Bakersfield. The High Speed Train System is utilizing the design-build delivery method.

The 130 miles of the ICS is broken into four sections for design-build solicitation purposes. These sections are called Construction Packages and are numbered sequentially. The proposal before the Board is to approve the performance criteria for Construction Package 1, the first section to begin design and construction of the ICS. This section begins just north of the San Joaquin River and will go 26 to 33 miles south to East American Avenue on the south side of the City of Fresno. This section will include 12 grade separations, 2 viaducts, 1 tunnel and a major river crossing over the San Joaquin River.

This requested action is the initial step towards authorizing the release of the solicitation package to select a design-build firm for the construction of the Construction Package 1 section.

#### **Consider:**

- a) approving performance criteria for Construction Package 1 of the Initial Construction Section of California's High Speed Train System**
- b) If approved, require the Authority to report back to the Board following the release of the updated funding plan regarding the criticalness and compatibility of this approval with the new funding plan to continue forward with the Initial Construction Section.**

## ACTION ITEMS

### STAFF ANALYSIS ITEM—1

California High Speed Rail Authority  
Merced to Fresno and Fresno to Bakersfield  
Various Counties

#### Action Requested

**If approved, the requested action would a) approve the performance criteria for Construction Package 1 of the ICS of California's High Train System and b) require the Authority to report back to the Board following the release of the updated funding plan regarding the criticalness and compatibility of this approval with the new funding plan to continue forward with the ICS.**

#### Scope Description

**This project is within scope.** The High Speed Train System (HSTS) consists of Phase 1, which would provide 520-miles of the HSTS extending from San Francisco to Los Angeles/Anaheim, and Phase 2 which would extend to Sacramento and San Diego. For purposes of environmental work and the development of performance criteria, the HSTS was divided into 10 geographical segments. Two of these segments, Merced to Fresno and Fresno to Bakersfield, are the projects and basis of this request to approve performance criteria. The ICS is contained within these segments. Further, the performance criteria are the specifications included in the design-build solicitation package that will be released to the design-build firms to compete for the contract.

The ICS is the first phase of the HSTS and provides the track and structures to support the system's spine. The ICS will be approximately 130 miles and extend from north of Fresno to north of Bakersfield. The ICS will require the acquisition of approximately 1,100 parcels.

The ICS is further broken into four sections for design-build solicitation purposes to develop the infrastructure and grading necessary for track work. These sections are called construction packages and are numbered sequentially. Also, there is a fifth construction package for track work across the four sections that comprise the ICS. Construction Package 1 will include the northernmost 26 to 33 miles of the ICS and will extend from north of the San Joaquin river to approximately East American Avenue through the City of Fresno. Approximately 400 parcels will need to be acquired for the portion of the ICS in Construction Package 1. The package will include 12 grade separations, 2 viaducts, 1 tunnel and a major river crossing over the San Joaquin River.

Construction Package 1 is further divided into components A, B, and C. The first two components lie fully within the Merced to Fresno segment while the C component lies fully within the Fresno to Bakersfield segment. The proposed design-build contract is structured to require the Authority to provide a notice to proceed for each component.

#### Funding and Cost Verification

**This project is within cost.** In 2008, Proposition 1a passed, providing \$9.0 billion in High Speed Passenger Train general obligation bonds (HST bonds) for the Authority. The Budget Acts of 2010 and 2011 appropriated \$99.5 million in HST bonds and federal funds for acquisition (environmental review) and design (development of performance criteria). In January 2012, Executive Orders C 11/12-17 and C 11/12-18 provided an additional \$18 million (HST bonds and federal funds) for the acquisition phase on the Merced to Fresno and Fresno to Bakersfield segments.



In the table below, the total estimated project costs reflect the ICS.

\$117,473,000 total authorized project costs

\$6,009,114,000 total estimated project costs

\$117,473,000 project costs previously allocated: \$54,573,000 Merced to Fresno(\$32,122,000 acquisition and \$22,451,000 design) and \$62,900,000 Fresno to Bakersfield(\$31,822,000 acquisition and \$31,078,000 design)

\$2,226,238,000 project costs to be allocated for Construction Package 1: \$12,616,000 Merced to Fresno (acquisition and design), \$29,024,000 Fresno to Bakersfield (acquisition and design), \$658,257,000 acquisition, and \$1,544,341,000 build (\$1,257,943,000 design-build contract, \$65,781,000 contingency, \$208,776,000 program management, \$11,841,000 other project costs)

\$3,665,403,000 project costs to be allocated for the remainder of the ICS

### CEQA

The project will require compliance with CEQA. Currently CEQA is anticipated to be filed on May 1, 2012 for the Merced to Fresno segment and in December 2012 for the Fresno to Bakersfield segment.

It is not expected that the Authority will have completed CEQA for the Fresno to Bakersfield segment until it is time to award the design-build contract. The contract requires the Authority provide a "notice to proceed" for each component (A, B or C) before construction can begin. This notice will not be given if CEQA is not complete for the affected component. As mentioned previously, component C is solely in Fresno to Bakersfield. For either segment, there is the possibility of CEQA lawsuits that could have the potential to stall the project.

### Real Estate Due Diligence:

Due diligence will be performed prior to acquisition of each parcel along the ICS. Construction can only take place on acquired parcels.

### Project Schedule

Approve performance criteria	March 2012
Award design-build contract	December 2012
Complete construction	April 2017

### Other

- The approval of the performance criteria is needed at this time in order to maximize the likelihood that the Authority will be able to expend the full \$2.3 billion in Federal American Recovery and Reinvestment Act (ARRA) funds. Any funds not expended and reimbursed by ARRA by September 30, 2017 would be lost. The process to select a design-build contractor and award a contract will take nine months. Complicated components of this project, such as bridges and viaducts, can take four years to design and construct. The Authority does not have funding authority for Construction Package 1. However, the request for proposal (RFP) contains language that an award is subject to an appropriation. Further, the RFP's Instructions to Proposers states:

“the Authority reserves to itself all rights available to it under applicable law, including without limitation, the following, with or without cause and with or without notice ... Modify, withdraw or cancel this RFP in whole or in part at any time prior to the execution of the Contract by the Authority, without incurring any costs obligations or liabilities.”

- The Authority has not acquired any of the estimated 400 parcels within Construction Package 1 nor does the Authority have the budget authority for acquiring these parcels. It is anticipated that acquisition of some of these parcels will require eminent domain.
- Proposition 1a requires the Authority to submit funding plans to request certain capital cost funding and to expend it. The most recently approved funding plan was released in November 2011. The Governor has since requested the Authority to revisit the HSTS project and the funding plan to look for ways to reduce the cost of the HSTS. The Authority is currently updating the existing funding plan and expects to present it to the High Speed Rail Board in April 2012. Staff expects that the revised plan will still reflect the ICS as the backbone of the HSTS and be a necessary first step to construct and therefore support the need for the release of the RFP for Construction Package 1 in as timely a manner possible. Nevertheless, it would be prudent to have Authority report back to the PWB to confirm that approval of performance criteria for Construction Package 1 is consistent with the new funding plan.

**Staff Recommendation:**      **Approve the performance criteria for Construction Package 1 of the ICS of California’s High Train System and require the Authority to report back to the Board following the release of the updated funding plan regarding the criticalness and compatibility of this approval with the new funding plan to continue forward with the ICS.**

## OTHER BUSINESS

**None**

## REPORTABLES

**To be presented at the Board meeting.**